

FILED
IN THE UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

DEC 12 2012

DAVID J. MALAND, CLERK

BY
DEPUTY

UNITED STATES OF AMERICA §
§
v. § NO. 4:12-CR- 289
§
JOHN MITCHELL RUTOSKEY (1), §
GWENICE RUTOSKEY (2), §
ISIS, LTC, INC. (3), AND, §
HEALTHCARE CONSULTANTS AND §
MANAGEMENT SERVICES, INC. (4) §
§
DEFENDANTS §

INDICTMENT

THE UNITED STATES GRAND JURY CHARGES:

Introduction

1. The Medicare Health Care Benefit Program. Medicare is a “health care benefit program,” as defined by 18 U.S.C. § 24(b), program that provides health insurance coverage for people age 65 and older, and for certain disabled people as well. The United States Department of Health and Human Services (HHS) is responsible for the administration of the Medicare program. The Centers for Medicare and Medicaid Services (CMS) is the component agency of HHS that administers and supervises the Medicare program. Individuals who receive benefits under Medicare are referred to as Medicare “beneficiaries”. Various entities are under contract to provide services to CMS. These services include processing and paying Medicare claims and safeguarding the

integrity of the Medicare program. The Medicare program is divided into several different parts: "Part A" of the Medicare program covers health services provided by hospitals, skilled nursing facilities, hospices, and home health agencies; "Part B" of the Medicare program covers most outpatient services, including medical supplies needed for the care of Medicare beneficiaries, such as wound care supplies.

2. Medicare, with limited exception, does not cover the cost of long term nursing home care. Under certain circumstances, nursing homes may submit claims to Medicare Part B seeking reimbursement for the cost of medical supplies required for the care of Medicare beneficiaries. In order to receive payment from Medicare, the nursing home is required to submit, either in hard copy or electronically, a health insurance claim form to Medicare. Medicare Part B reimburses nursing homes directly for the cost of covered supplies provided to eligible beneficiaries, provided that the laws and regulations governing Medicare billing are followed. A nursing home can also contract with a billing company to prepare and transmit claims to Medicare.

3. Private companies may contract with the United States Department of Health and Human Services to receive, adjudicate, and pay Medicare Part B claims for covered services in the state of Texas. These private companies include Trailblazer Health Enterprises, LLC, Mutual of Omaha, and Wisconsin Physician Service Insurance Corporation.

4. In order to bill the Medicare program for covered supplies or services, nursing homes submit a Form 1450 or Form 1500, which is a claims form. When Forms

1450 or 1500 are submitted, either in paper or electronic format, the nursing home certifies that the contents of the form are true, accurate, complete, and that the form was prepared in compliance with the laws and regulations governing the Medicare program. A Medicare claim is required to set forth, among other things, the beneficiary's name and identification number, the services performed for the beneficiary, the date the services were provided, the cost of the services, and the name and Unique Physician Identification Number (UPIN) of the physician or other health care provider who ordered the services.

5. The Medicaid Health Care Benefit Program. The Medicaid Program is a jointly funded cooperative venture between the Federal and State governments to assist States in the provision of adequate medical care to eligible needy persons. Medicaid was created by Title XIX of the Social Security Act of 1965, and provides medical assistance for certain individuals and families with low incomes and resources. In Texas, Medicaid is funded with approximately 50% federal monies, and the remaining 50% is paid by the state.

6. Providers apply to participate in the Medicaid program through the Texas Health and Human Services Commission through its contractor, Texas Medicaid & Healthcare Partnership (TMHP). Upon acceptance, providers are assigned a unique provider identification number. Only providers who have been assigned a unique provider number can be reimbursed by the Medicaid program. A Medicaid provider obtains reimbursement from the Medicaid program by providing authorized services to recipients and then submitting claim forms to the State's contractor, TMHP. To receive

Medicaid reimbursement, the provider submits or causes the submission of a claim for reimbursement by either (a) hard copy paper claims, or (b) by electronic means through a web portal to the contractor. Information transmitted to the contractor, on either hard copy forms and/or via web portal includes, among other things, the recipient's name and date of birth, Medicaid identification number of the recipient, date of service, place of service, a unique numerical procedure code or healthcare common procedure code (HCPC) that represents a specific item or service rendered to the recipient, and the dollar amount claimed. The procedure code and units of service used by the provider are what determines the amount of reimbursement to the provider, which makes them material elements on the claim form.

7. Some Medicare beneficiaries are also eligible for Medicaid benefits. When a claim is submitted to Medicare for care rendered to these individuals, a Medicaid claim is subsequently generated. Certifications and agreements with healthcare benefit programs, including the Texas Medicaid program and Medicare, acknowledge that federal funds are used in the program.

8. Medicare, Medicaid, and other Federal healthcare programs maintain a list of persons and entities who have been excluded from participation in their respective programs. The effect of an exclusion is that no payment will be made by any Federal healthcare program for any items or services furnished, ordered, or prescribed by an excluded individual. The exclusion applies regardless of who submits the claims and applies to all administrative and management services furnished by the excluded person.

9. On or about November 20, 1992, **John Mitchell Rutoskey** was convicted of a felony associated with the delivery of a health care item or service under the Medicare program. As a result of this conviction, **John Mitchell Rutoskey** was excluded for a period of 10 years by the United States Department of Health and Human Services from participating in the Medicare program, the Medicaid program, and all federal health care programs. After exclusion, including exclusion for a defined period of time, reinstatement is not automatic. Excluded individuals are required to submit an application, which then must be approved by Medicare and Medicaid, in order to reestablish eligibility for participation in Federal healthcare programs. **John Mitchell Rutoskey** did not complete this process and has not been eligible to participate in Federal healthcare programs since the time of his original conviction in 1992. At all relevant times, **John Mitchell Rutoskey** has remained an excluded individual.

10. On or about September 23, 2004, **ISIS LTC, Inc.**, filed for incorporation as a domestic, for-profit corporation. ISIS's Articles of Incorporation, filed with the Texas Secretary of State, lists "**John M. Rutoskey**" as "Director." On July 11, 2006, **John Mitchell Rutoskey** signed a Texas Franchise Tax Public Information Report, identifying himself as the "President," "Director," and "Owner" of **ISIS**.

11. On or about August 2006, the United States and **John Mitchell Rutoskey** entered into an Agreement to settle civil claims that **John Mitchell Rutoskey**, after exclusion in 1992 from participating in Federal health care programs, operated nursing homes in Texas and submitted or caused to be submitted false statements on Medicare

and Medicaid provider applications and submitted or caused to be submitted claims for payment to the Medicare and Medicaid programs, which were paid to the nursing homes in violation of the exclusion rules. As part of the Agreement, **John Mitchell Rutoskey** agreed to be "permanently excluded . . . from Medicare, Medicaid, and all other Federal health care programs . . ." The Agreement specified that **John Mitchell Rutoskey's** exclusion "shall have national effect and shall also apply to all other federal procurement and nonprocurement programs." The Agreement required: "Federal health care programs shall not pay anyone for items or services, including administrative and management services, furnished, ordered, or prescribed by **John Mitchell Rutoskey** in any capacity while **John Mitchell Rutoskey** is excluded. This exclusion applies regardless of who submits the claim or other request for payment. **John Mitchell Rutoskey** shall not submit or cause to be submitted to any Federal health care program any claim or request for payment for items or services, including administrative and management services, furnished, ordered, or prescribed by **John Mitchell Rutoskey** during the exclusion." **Gwenice Rutoskey** also signed this Agreement acknowledging the permanent exclusion of **John Mitchell Rutoskey**.

12. On or about October 23, 2006, **John Mitchell Rutoskey** filed documents with the Texas Secretary of State to update information regarding **ISIS LTC, Inc.** **John Mitchell Rutoskey** was listed as both Director and President of the company. The business address for **ISIS LTC** was 1515 Heritage Drive, McKinney, Texas, 75069, in the Eastern District of Texas.

13. On or about July 31, 2007, the Office of Inspector General, United States Department of Health and Human Services, notified **ISIS LTC, Inc.**, that **ISIS LTC, Inc.**, was permanently excluded from participation in Medicare and Medicaid due to the company's association with **John Mitchell Rutoskey**.

14. On or about December 18, 2009, **Healthcare Consultants and Management Services, Inc.**, ("HCMS") filed for incorporation in Texas. **Gwenice Rutoskey** is listed as "Director" of HCMS. The business address for HCMS is 1515 Heritage Drive, McKinney, Texas, 75069, in the Eastern District of Texas.

15. In 2005, Dickens County, Texas, purchased the Dickens County Nursing Home in Spur, Texas. At all times relevant to this indictment, Dickens County Nursing Home was a Medicare approved provider.

16. Nurse-con Corporation does business as Elmwood Nursing Home in Marlin, Texas. At all times relevant to this indictment, Elmwood Nursing Home was a Medicare and Medicaid approved provider.

17. At all relevant times, MJ Management was the parent company of Mount Vernon Nursing Home, Inc., Jordan & Gillis, Inc., and Atlanta Nursing Homes, Inc. Mount Vernon Nursing Home, Inc., did business as Mission Manor Nursing Home in Mount Vernon, Texas. Jordan & Gillis, Inc., did business as Heritage Nursing Home in Quitman, Texas. Atlanta Nursing Homes, Inc., did business as Rose Haven Retreat and Golden Villa Nursing homes, both located in Atlanta, Texas. At all times relevant to this indictment, Mission Manor, Heritage, and Golden Villa were approved Medicare and

Medicaid providers. At all times relevant to this indictment, Rose Haven Retreat was an approved Medicare provider.

Count One

**Violation: 18 U.S.C. § 1349
(Conspiracy to Commit Healthcare Fraud)**

18. From in or about Spring 2005 and continuing until in or about December of 2012 in the Eastern District of Texas and elsewhere,

**JOHN MITCHELL RUTOSKEY (1), and
GWENICE RUTOSKEY (2),**

did knowingly and willfully combine, conspire, confederate and agree with each other and others known and unknown, to knowingly and willfully execute a scheme to defraud a health care benefit program; namely, the Texas Medicaid program and the Medicare program, and to obtain, by means of false and fraudulent pretenses, representations, and promises, money and property owned by, or under the custody and control of, a health care benefit program; namely, the Texas Medicaid program and the Medicare program in connection with the delivery of or payment for health care benefits, items and services, in violation of 18 U.S.C. § 1347.

The Scheme

19. The defendants, as part of the conspiracy and scheme, aiding and abetting each other, created **HCMS** in order to conceal its true owner's status as an excluded individual and to continue the business of **ISIS**, an excluded entity; and similarly, failed to disclose **John Mitchell Rutoskey's** status as an excluded individual to the Texas

Medicaid program and Medicare, while he participated in the daily operations of **ISIS** and **HCMS** conducting the billing functions of multiple nursing homes in Texas and elsewhere.

20. The defendants, as part of the conspiracy and scheme, aiding and abetting each other, submitted false and fraudulent claims for healthcare and medical supplies, including wound care products, with the Medicare and Texas Medicaid Programs in order to obtain money to which the defendants were not entitled during a period of time that **John Mitchell Rutoskey** was excluded from participation in the Texas Medicaid program, the Medicare program, and all federally funded health benefit programs.

21. It was further part of the conspiracy and scheme that **John Mitchell Rutoskey** taught Medicare and Medicaid billing seminars to meet and network with nursing home administrators in an effort to acquire opportunities to participate in medical billing despite **John Mitchell Rutoskey's** exclusion.

22. It was further part of the conspiracy and scheme that **John Mitchell Rutoskey** and **Gwenice Rutoskey** created and caused to be created false and fraudulent records relating to the delivery of wound care and the use of wound care supplies.

23. It was further part of the conspiracy and scheme that **Gwenice Rutoskey**, **ISIS**, and **HCMS** paid **John Mitchell Rutoskey** from funds generated by this scheme, in violation of his exclusion.

24. It was further part of the conspiracy and scheme that **John Mitchell Rutoskey** was the primary contact of **ISIS** and **HCMS** with company clients, including nursing home administrators and nursing home owners.

25. It was further part of the conspiracy and scheme that **Gwenice Rutoskey** used bank accounts to conceal monies and transactions, and from which **John Mitchell Rutoskey** was compensated for his interest and work on behalf of **ISIS** and **HCMS**.

Manner and Means of the Conspiracy

26. On or about the following dates with respect to the following healthcare facilities, as representative of the manner and means of the conspiracy and in furtherance and execution and attempted execution of the conspiracy, in the Eastern District of Texas and elsewhere, the following co-conspirators took the following actions:

a. With respect to Dickens County Nursing Home:

- (1) In or about the latter part of 2005 or early 2006, the exact date unknown, **John Mitchell Rutoskey** conducted a healthcare billing seminar in Lubbock, Texas, attended by employees of Dickens County Nursing Home. On or about February 1, 2006, **John Mitchell Rutoskey** presented a proposal to the Dickens County Commissioners Court to perform Medicare billing services for the Dickens County Nursing Home. The Defendants were subsequently approved by Dickens County Commissioners Court to conduct Medicare billing on behalf of the Dickens County Nursing Home.
- (2) Between January 2006 and May 2008, the Defendants submitted or caused to be submitted Medicare Claims for multiple beneficiaries at Dickens County Nursing Home.
- (3) Between January 2006 and May 2008, the Defendants submitted invoices to Dickens County Nursing Home seeking payment for billing services.

- (4) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Trailblazer Health Enterprises, LLC, Medicare paid provider Dickens County Nursing home for Medicare claims as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt. Amt.	Patient	Patient ID	Claim No.	Claim Date
\$ 4,234.11	9/21/2006	\$ (1,091.51)	C.C.	6998A	20613816493004	5/18/2006
		\$ 3,472.31	C.C.	6998A	20625735246304	9/14/2006
		\$ -	M.H.	9204A	20623610245904	8/24/2006
		\$ 535.93	M.H.	9204A	20625710015404	9/14/2006
		\$ (765.56)	J.V.	6928A	20610012330204	4/10/2006
		\$ 2,082.94	J.V.	6928A	20626137474504	9/18/2006
		\$ 4,234.11				

- (5) On or about September 22, 2006, **ISIS, LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Dickens County Nursing Home in the amount of \$423.41 for submitting the foregoing Medicare claims. **ISIS LTC** charged Dickens County Nursing Home 10% of the total Medicare payment amount. On or about October 5, 2006, Dickens County Nursing Home drafted check number 26734 in the amount of \$423.41 paying **ISIS LTC** for submitting the foregoing Medicare claims.
- (6) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Trailblazer Health Enterprises, LLC, Medicare paid provider Dickens County Nursing home for Medicare claims as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt. Amt.	Patient	Patient ID	Claim No.	Claim Date
\$ 845.26	10/11/2006	\$ (1,031.93)	L.L.	7490A	20625512163304	9/12/2006
		\$ 1,877.19	L.L.	7490A	20627709102804	10/4/2006
\$ 143.28	10/12/2006	\$ (2,077.56)	M.S.	7796A	20625511281904	9/12/2006
		\$ 2,220.84	M.S.	7796A	20627910430704	10/6/2006
\$ 7,825.50	10/20/2006	\$ 16.05	C.C.	6998A	20627935079104	10/6/2006
		\$ 1,615.80	J.G.	6369A	20627911104804	10/6/2006
		\$ 512.88	R.H.	4114A	20627935151304	10/6/2006
		\$ 1,771.41	E.R.	6640D	20627911164404	10/6/2006
		\$ 2,149.20	M.S.	7796A	20627911212904	10/6/2006
		\$ 136.66	A.J.	9368A	20627912020804	10/6/2006
		\$ 108.20	D.M.	0105A	20627936064204	10/6/2006
		\$ 583.93	H.M.	1941A	20627936086904	10/6/2006
		\$ 235.62	W.N.	5593A	20627912435004	10/6/2006
		\$ 111.82	I.P.	4667A	20627936106704	10/6/2006
		\$ 583.93	J.V.	6928A	20627912135604	10/6/2006
\$ 8,814.04		\$ 8,814.04				

- (7) On or about October 25, 2006, **ISIS, LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Dickens County Nursing Home in the amount of \$881.04 for submitting the foregoing Medicare claims. **ISIS LTC** charged Dickens County Nursing Home 10% of the total Medicare payment amount. On or about October 26, 2006, Dickens County Nursing Home drafted check number 26889 in the amount of \$881.04 paying **ISIS LTC** for submitting the foregoing Medicare claims.
- (8) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Trailblazer Health Enterprises, LLC, Medicare paid provider Dickens County Nursing home for Medicare claims as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt. Amt.	Patient	Patient ID	Claim No.	Claim Date
\$ 12,953.34	12/11/2006	\$1,842.64	J.G.	6369A	20633115361304	11/27/2006
		\$5,301.75	T.G.	2054D	20633115173204	11/27/2006
		\$1,842.64	E.R.	6640D	20633115333104	11/27/2006
		\$622.48	M.S.	7796A	20633115382404	11/27/2006
		\$46.08	E.B.	9814A	20633139559404	11/27/2006
		\$99.47	D.D.	6364A	20633115423104	11/27/2006
		\$337.35	M.H.	9204A	20633140191704	11/27/2006
		\$37.27	A.J.	9368A	20633115442404	11/27/2006
		\$739.20	L.L.	7490A	20633116155704	11/27/2006
		\$431.22	D.M.	0105A	20633115453904	11/27/2006
		\$683.32	H.M.	1941A	20633115474604	11/27/2006
		\$149.94	W.N.	5593A	20633140298904	11/27/2006
		\$559.08	I.P.	4667A	20633115504204	11/27/2006
		\$260.90	J.V.	6928A	20633115522504	11/27/2006
		\$12,953.34				

- (9) On or about December 11, 2006, **ISIS, LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Dickens County Nursing Home in the amount of \$1295.33 for submitting the foregoing Medicare claims. **ISIS LTC** charged Dickens County Nursing Home 10% of the total Medicare payment amount. On or about December 18, 2006, Dickens County Nursing Home drafted check number 27471 in the amount of \$1295.33 paying **ISIS LTC** for submitting the foregoing Medicare claims.
- (10) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Trailblazer Health Enterprises, LLC, Medicare paid provider Dickens County Nursing home for Medicare claims as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt. Amt.	Patient	Patient ID	Claim No.	Claim Date
\$141.97	1/4/2007	\$141.97	L.L.	7490A	20635306001604	12/19/2006
\$757.97	1/8/2007	\$757.97	L.L.	7490A	20635306103604	12/19/2006
\$6,580.00	1/9/2007	\$3,938.40	A.P.	1047D	20636001902404	12/26/2006
		\$2,549.75	S.V.	1484A	20636001903204	12/26/2006
		\$77.42	D.M.	0105A	20636001903504	12/26/2006
		\$14.43	D.M.	0105A	20636001904004	12/26/2006
\$5,278.60	1/2/2007	\$577.22	D.V.	5529C1	20635300701204	12/19/2006
		\$237.76	J.G.	6369A	20635301401804	12/19/2006
		\$2,461.50	M.H.	9204A	20635301900004	12/19/2006
		\$1,644.72	E.R.	6640D	20635302400804	12/19/2006
		\$19.32	M.B.	2952D	20635303202504	12/19/2006
		\$216.77	D.D.	6364A	20635303400004	12/19/2006
		\$19.68	L.H.	9985A	20635303400904	12/19/2006
		\$30.36	H.M.	1941A	20635303901604	12/19/2006
		\$8.07	I.P.	4667A	20635304101404	12/19/2006
		\$63.20	T.S.	0923A	20635304202604	12/19/2006
\$12,758.54		\$12,758.54				

- (11) On or about January 10, 2007, **ISIS, LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Dickens County Nursing Home in the amount of \$1,275.85 for submitting the foregoing Medicare claims. **ISIS LTC** charged Dickens County Nursing Home 10% of the total Medicare payment amount. On or about January 16, 2007, Dickens County Nursing Home drafted check number 27711 in the amount of \$1,275.85 paying **ISIS LTC** for submitting the foregoing Medicare claims.
- (12) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Trailblazer Health Enterprises, LLC, Medicare paid provider Dickens County Nursing home for Medicare claims as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt. Amt.	Patient	Patient ID	Claim No.	Claim Date	
\$428.30	1/22/2007	\$428.30	M.H.	9204A	20700400615704	1/4/2007	
\$252.67	2/5/2007	\$252.67	D.D.	6364A	20702200168004	1/22/2007	
\$12,474.20	2/7/2007	\$4,340.00	A.P.	1047D	20702400227304	1/24/2007	
		\$127.15	A.P.	1047D	20702400230304	1/24/2007	
		\$7,600.67	S.V.	1484A	20702400232804	1/24/2007	
		\$53.04	L.L.	7490A	20702400406604	1/24/2007	
		\$194.22	D.M.	0105A	20702400235604	1/24/2007	
		\$53.04	A.P.	1047D	20702400409204	1/24/2007	
		\$53.04	T.S.	0923A	20702400412804	1/24/2007	
		\$53.04	J.V.	6928A	20702400415804	1/24/2007	
\$13,155.17		\$13,155.17					

- (13) On or about February 9, 2007, **ISIS, LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Dickens County Nursing Home in the amount of \$1315.51 for submitting the foregoing Medicare claims. **ISIS LTC** charged Dickens County Nursing Home 10% of the total Medicare payment amount. On or about March 28, 2007, Dickens County Nursing Home drafted check number 28369 in the amount of \$1315.51 paying **ISIS LTC** for submitting the foregoing Medicare claims.
- (14) The pattern of claims submission, claims payment, invoice submission, and invoice payment described above continued through May 2008, resulting in fraudulent claim submission to Medicare by the Defendants through Dickens County Nursing Home in the amount of \$1,565,261.

b. With respect to Nurse-Con Corporation doing business as Elmwood

Nursing Center:

- (1) Sometime in the Spring of 2005, the exact date unknown to the Grand Jury, **John Mitchell Rutoskey** conducted a healthcare billing seminar that was attended by an employee of Elmwood Nursing Center. The Defendants were subsequently hired by Nurse-Con Corporation doing business as Elmwood Nursing Center to conduct Medicare and Medicaid billing.

- (2) Between April 2007, and July 2011, the Defendants submitted or caused to be submitted Medicare claims for multiple beneficiaries at Elmwood Nursing Center.
- (3) Between Spring of 2005 and July 2011, the Defendants submitted or caused to be submitted Medicaid claims for multiple beneficiaries at Elmwood Nursing Center.
- (4) Between Spring of 2005 and September of 2011, the Defendants submitted invoices to Nurse-Con Corporation doing business as Elmwood Nursing Center seeking payment for billing services.
- (5) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Trailblazer Health Enterprises, LLC, Medicare paid provider Nurse-Con Corp. for Medicare claims as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt. Amt.	Patient	Patient ID	Claim No.	Claim Date
\$ 537,407.45	10/02/06	\$ 2,037.63	O.F.	1426A	20626110335604	09/18/06
		\$ 1,376.72	M.F.S.	1902A	20626110271504	09/18/06
		\$ 3,426.86	M.E.	5351A	20626109493004	09/18/06
		\$ 3,713.41	M.E.	5351A	20626109532804	09/18/06
		\$ 303.58	M.E.	5351A	20626109551704	09/18/06
		\$ 16,493.04	T.M.	1784B3	20626109120304	09/18/06
		\$ 15,566.88	T.M.	1784B3	20626109150004	09/18/06
		\$ 2,276.88	M.B.	2375D	20626110012504	09/18/06
		\$ 18,822.22	M.B.	2375D	20626110031504	09/18/06
		\$ 18,215.04	M.B.	2375D	20626110051704	09/18/06
		\$ 44,153.28	T.M.	1784B3	20626109194604	09/18/06
		\$ 41,690.88	T.M.	1784B3	20626109221204	09/18/06
		\$ 47,429.09	T.M.	1784B3	20626109240104	09/18/06
		\$ 24,859.94	T.M.	1784B3	20626109255404	09/18/06
		\$ 42,122.28	T.M.	1784B3	20626109315604	09/18/06
		\$ 24,982.77	T.M.	1784B3	20626109375504	09/18/06
		\$ 24,714.15	T.M.	1784B3	20626109403904	09/18/06
		\$ 40,983.84	T.M.	1784B3	20626133294204	09/18/06
		\$ 4,401.98	S.P.	1993A	20626108325604	09/18/06
		\$ 18,670.42	S.P.	1993A	20626108352304	09/18/06
		\$ 20,036.54	S.P.	1993A	20626108382504	09/18/06
		\$ 19,125.78	S.P.	1993A	20626108413004	09/18/06
		\$ 20,947.30	S.P.	1993A	20626108431704	09/18/06
		\$ 20,112.44	S.P.	1993A	20626108453204	09/18/06
		\$ 23,527.76	S.P.	1993A	20626108475204	09/18/06
		\$ 23,451.86	S.P.	1993A	20626108495804	09/18/06
		\$ 11,612.10	S.P.	1993A	20626108521904	09/18/06
		\$ 2,352.78	S.P.	1993A	20626108544504	09/18/06
		\$ 537,407.45				

- (6) On or about November 20, 2006, **ISIS, LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Elmwood Nursing Home in the amount of \$159,218.98 for submitting the foregoing Medicare claims plus other Medicare claims not identified above. **ISIS LTC** charged Elmwood Nursing Home 15% of the total Medicare payment amount for the claims listed above. On or about December 11, 2006, Nurse-Con Corporation dba Elmwood Nursing Center drafted check number 8929 in the amount of \$134,215.98 paying **ISIS LTC** for submitting the foregoing Medicare claims plus other Medicare claims not identified above. The check was

deposited into the **ISIS LTC** account number 3620185182 at Capital One. On or about December 11, 2006, Nurse-Con Corporation dba Elmwood Nursing Center drafted check number 8930 in the amount of \$25,000 payable to **Mitch Rutoskey** for submitting the foregoing Medicare claims plus other Medicare claims not identified above.

- (7) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Trailblazer Health Enterprises, LLC, Medicare paid provider Nurse-Con Corp. for Medicare claims as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt. Amt.	Patient	Patient ID	Claim No.	Claim Date
\$ 71,723.56	06/19/07	\$ 4,333.44	L.A.	8866D2	20715600266104	06/05/07
		\$ 13.31	L.C.	9307A	20715600279804	06/05/07
		\$ 5,958.95	R.C.	2350D	20715600222804	06/05/07
		\$ 5,766.72	R.C.	2350D	20715600264904	06/05/07
		\$ 5,356.80	R.C.	2350D	20715600282504	06/05/07
		\$ 298.18	D.G.	7095B6	20715600196804	06/05/07
		\$ 1,837.40	D.G.	7095B6	20715600285604	06/05/07
		\$ 323.02	D.G.	7095B6	20715600288404	06/05/07
		\$ 8,955.77	T.M.	1784B3	20715600245304	06/05/07
		\$ 8,742.36	T.M.	1784B3	20715600291004	06/05/07
		\$ 4,477.88	G.N.	3365A	20715600204604	06/05/07
		\$ 4,333.44	G.N.	3365A	20715600262404	06/05/07
		\$ 4,044.55	G.N.	3365A	20715600292504	06/05/07
		\$ 4,740.29	V.R.	0629A	20715600295004	06/05/07
		\$ 5,634.57	F.W.	5962B	20715600176904	06/05/07
		\$ 5,452.80	F.W.	5962B	20715600261204	06/05/07
		\$ 1,454.08	F.W.	5962B	20715600296104	06/05/07
		\$ 71,723.56				

- (8) On or about July 6, 2007, **ISIS, LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Elmwood Nursing Home in the amount of \$64,696.90 for submitting the foregoing Medicare claims plus other Medicare claims not identified above. **ISIS LTC** charged Elmwood Nursing Home 15% of the total Medicare payment amount for the claims listed above. On or about August 13, 2007, Nurse-Con Corporation dba Elmwood Nursing Center drafted check number 10987 in the amount of \$71,782.59 paying **ISIS LTC**

for submitting the foregoing Medicare claims plus other Medicare claims not identified above. The check was deposited into the **ISIS LTC** account number 3620185182 at Capital One.

- (9) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Trailblazer Health Enterprises, LLC, Medicare paid provider Nurse-Con Corp. for Medicare claims as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt. Amt.	Patient	Patient ID	Claim No.	Claim Date
\$ 18,049.53	07/31/07	\$ 1,723.29	M.C.	3771T	20719800844304	07/17/07
		\$ 786.36	D.K.	8387T	20719800876804	07/17/07
		\$ 1,976.04	S.K.	5304D	20719800865604	07/17/07
		\$ 1,654.36	P.M.	8473D	20719800889104	07/17/07
		\$ 1,439.45	A.P.	4948A	20719800899004	07/17/07
		\$ 3,661.64	A.P.	4948A	20719800907004	07/17/07
		\$ 4,505.27	A.R.	6346A	20719800915404	07/17/07
		\$ 2,303.12	H.Z.	9704A	20719800923004	07/17/07
\$ 1,846.99	07/19/07	\$ 1,845.54	D.S.	7631D	20716300952704	06/12/07
		\$ 1.45	INTEREST			
\$ 3,328.23	08/03/07	\$ 2,058.41	A.K.	5304A	20716300502704	06/12/07
		\$ 1,258.53	J.W.	8816A	20716401071604	06/13/07
		\$ 11.29	INTEREST			
\$ 33,038.02	08/07/07	\$ 5,967.61	D.G.	7095B6	20720500481604	07/24/07
		\$ 3,756.32	F.L.	8071A	20720500700004	07/24/07
		\$ 4,477.88	G.N.	3365A	20720500484304	07/24/07
		\$ 1,890.02	A.P.	6537A	20720500535904	07/24/07
		\$ 1,547.19	C.R.	1511A	20720500518204	07/24/07
		\$ 5,248.18	V.R.	0629A	20720500497404	07/24/07
		\$ 832.13	R.S.	7131A	20720500531504	07/24/07
		\$ 3,684.12	B.S.	7027A	20720500565304	07/24/07
		\$ 5,634.57	F.W.	5962B	20720500498304	07/24/07
		\$ 56,262.77				

- (10) On or about August 7, 2007, **ISIS, LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Elmwood Nursing Home in the amount of \$7,085.69 for submitting the foregoing Medicare claims. **ISIS LTC** charged Elmwood Nursing Home either 7.5% or 15% for each of the individual Medicare payment amounts for the claims listed above.

(11) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Trailblazer Health Enterprises, LLC, Medicare paid provider Nurse-Con Corp. for Medicare claims as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt. Amt	Patient	Patient ID	Claim No.	Claim Date
\$ 48,518.59	08/22/07	\$ 667.08	M.C.	3771T	20722000669304	08/08/07
		\$ 5,509.06	D.G.	7065B6	20722000674004	08/08/07
		\$ 2,215.35	M.H.	6133A	20722000678804	08/08/07
		\$ 492.30	M.H.	6133A	20722000681204	08/08/07
		\$ 2,248.47	J.J.	7836A	20722000682204	08/08/07
		\$ 3,678.36	D.K.	8387T	20722000684004	08/08/07
		\$ 4,618.84	P.P.	4948B	20722000685804	08/08/07
		\$ 6,938.60	A.R.	6346A	20722000687004	08/08/07
		\$ 2,707.65	C.R.	1511A	20722000688304	08/08/07
		\$ 3,036.40	B.S.	7027A	20722000699404	08/08/07
		\$ 6,207.25	E.T.	4538A	20722000690404	08/08/07
		\$ 4,000.99	H.Z.	9704A	20722000694104	08/08/07
		\$ 745.44	V.R.	0629A	20722000758504	08/08/07
		\$ 5,452.80	F.W.	5962B	20722000794104	08/08/07
\$ 427.10	08/24/07	\$ 427.10	J.S.	1592C1	20720500528204	07/24/07
\$ 208.65	08/27/07	\$ 110.97	M.D.	3485A	20722500426504	08/13/07
		\$ 57.36	M.H.	7371D	20722500447804	08/13/07
		\$ 40.32	J.S.	1592C1	20722500450304	08/13/07
\$ 396.33	09/24/07	\$ (427.10)	J.S.	1592C1	20720500528204	07/24/07
		\$ (40.32)	J.S.	1592C1	20722500450304	08/13/07
		\$ 541.19	J.S.	1592C1	20725700424004	09/14/07
		\$ 322.56	J.S.	1592C1	20725700425804	09/14/07
\$ 43,582.66	09/27/07	\$ 1,874.95	A.G.	2663A	20725600466404	09/13/07
		\$ 2,505.73	D.G.	7095B6	20725600446604	09/13/07
		\$ 491.67	J.J.	7836A	20725600442504	09/13/07
		\$ 65.65	D.K.	8387T	20725600446004	09/13/07
		\$ 8,881.40	F.L.	8071A	20725600457104	09/13/07
		\$ 6,226.02	J.N.	3322A	20725600460504	09/13/07
		\$ 7,671.62	A.R.	6346A	20725600450304	09/13/07
		\$ 7,771.10	S.S.	8688A	20725600453504	09/13/07
		\$ 8,094.52	B.S.	7027A	20725600451504	09/13/07
\$ 7,488.22	09/28/07	\$ 1,083.36	M.H.	6133A	20725700515504	09/14/07
		\$ 770.29	V.R.	0629A	20725700124804	09/14/07
		\$ 5,634.57	F.W.	5962B	20725700127504	09/14/07

\$ 66,779.22	11/08/07	\$ 9,787.53	A.G.	2663A	20729800550604	10/25/07
		\$ 484.98	D.G.	7095B6	20729800554604	10/25/07
		\$ 1,454.94	D.G.	7095B6	20729800567504	10/25/07
		\$ 3,063.69	J.H.	2723A	20729800584304	10/25/07
		\$ 8,890.18	F.L.	8071A	20729800585804	10/25/07
		\$ 8,480.98	J.N.	3322A	20729800597104	10/25/07
		\$ 9,922.17	P.P.	4948B	20729800613104	10/25/07
		\$ 6,882.72	A.R.	6346A	20729800620504	10/25/07
		\$ 359.28	S.S.	8688A	20729800623504	10/25/07
		\$ 4,014.92	S.S.	8688A	20729800633004	10/25/07
		\$ 8,890.18	B.S.	7027A	20729800656504	10/25/07
		\$ 3,124.23	E.T.	4538A	20729800659404	10/25/07
		\$ 1,423.42	R.W.	2850A	20729800662804	10/25/07
		\$ 178,111.98				

- (12) On or about November 9, 2007, **ISIS, LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Elmwood Nursing Home in the amount of \$14,521.31 for submitting the foregoing Medicare claims. **ISIS LTC** charged Elmwood Nursing Home either 7.5% or 15% of the individual Medicare payment amounts for the claims listed above.
- (13) On or about November 9, 2007, Nurse-Con Corporation DBA Elmwood Nursing Center drafted check number 11813 in the amount of \$14,521.31 paying **ISIS LTC** for submitting the foregoing Medicare claims. The check was deposited into **ISIS LTC** account number 3620357544 at Capital One Bank.
- (14) The pattern of claims submission, claims payment, invoice submission, and invoice payment described above continued through July 2011, resulting in fraudulent claim submission to Medicare by the Defendants through Elmwood Nursing Center in the amount of \$7,638,397.
- (15) From early 2005, the exact date unknown, through July 2011, the Defendants submitted substantially all Medicaid claims, included basic residential claims, on behalf of Elmwood Nursing Center.

Medicaid claims submitted on behalf of Elmwood Nursing Center by the Defendants totaled \$9,340,260.

- (16) Total Medicare and Medicaid claims fraudulently submitted by the Defendants on behalf of Elmwood Nursing Center was \$16,978,657.

- c. With respect to Mount Vernon Nursing Home, Inc., doing business as

Mission Manor Nursing Home:

- (1) On or about February 16, 2006, **John Mitchell Rutoskey** conducted a healthcare billing seminar that was attended by an administrator with oversight of Mission Manor Nursing Home. The Defendants were subsequently hired by Mission Manor Nursing Home to conduct Medicare and Medicaid billing.
- (2) Between March 2006, and August 2009, the Defendants submitted or caused to be submitted Medicare claims for multiple beneficiaries at Mission Manor Nursing Home.
- (3) Between March 2006, and August 2009, the Defendants submitted or caused to be submitted Medicaid claims for multiple beneficiaries at Mission Manor Nursing Home.
- (4) Between March 2006, and August 2009, the Defendants submitted invoices to Mount Vernon Nursing Home, Inc., doing business as Mission Manor Nursing Home seeking payment for billing services.
- (5) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Mutual of Omaha, Medicare paid provider Mission Manor Nursing Home for Medicare claims as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt Amt	Patient	Patient ID	Claim No.	Claim Date
\$3,943.69	04/27/2006	\$586.44	S.B.	4884D	20610113261504	07/28/2007
		\$376.33	E.J.	8768D	20610308505204	
		\$2039.18	E.J.	8768D	20610308550704	
		\$596.45	B.L.	1396A	20610309325204	
		\$79.44	C.M.	5094B	20610310001604	
		\$265.85	E.J.	8768D	20610309142404	

	\$3,943.69		
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- (6) On May 16, 2006, **ISIS LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Mission Manor Nursing Home, the dba for Jordan Enterprises, Inc., for submitting the foregoing Medicare claims, plus other Medicare claims not identified above. **ISIS LTC** charged Mission Manor Nursing Home 15% of the claims that Medicare paid. On or about June 2, 2006, Mission Manor Nursing Home drafted check number 12167 in the amount of \$984.33, paying **ISIS LTC** for submitting the foregoing Medicare claims, plus other Medicare claims not identified above. This check was deposited into **ISIS LTC**'s Capital One bank account 3620185182.
- (7) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Mutual of Omaha, Medicare paid provider Mission Manor Nursing Home for Medicare claims as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt Amt	Patient	Patient ID	Claim No.	Claim Date
\$2,001.34	04/21/2006	\$278.32	M.D.	9863A	20610113261504	04/11/2006
		\$815.08	L.E.	1085A	20610308505204	04/13/2006
		\$232.02	M.S.	9383A	20610308550704	
		\$675.92	C.T.	0583A	20610309325204	
		\$2,001.34				

- (8) On May 16, 2006, **ISIS LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Mission Manor Nursing Home, the dba for Jordan Enterprises, Inc., for submitting the foregoing Medicare claims, plus other Medicare claims not identified above. **ISIS LTC** charged Mission Manor Nursing Home 15% of the claims that Medicare paid. On or about May 19, 2006, Mission Manor Nursing Home drafted check number 12162 in the amount of \$2039.19, paying **ISIS LTC** for submitting the foregoing Medicare claims, plus other Medicare claims not identified above. This check was deposited into Capital One bank account 3620185182.
- (9) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by

Mutual of Omaha, Medicare paid provider Mission Manor Nursing Home for Medicare claims as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt Amt	Patient	Patient ID	Claim No.	Claim Date
\$17,777.20	06/16/2006	\$290.23	C.L.	1396B	20615315202704	06/02/2006
		\$3918.23	C.L.	1396B	20615315220104	
		\$1451.20	J.S.	4444A	20615314494504	
		\$2176.80	J.S.	4444A	20615314512004	
		\$217.69	L.E.	1085A	20615314544304	
		\$2176.80	L.E.	1085A	20615314560904	
		\$435.37	L.L.	433C1	20615315160704	
		\$1451.20	L.L.	433C1	20615315173504	
		\$4498.71	C.T.	0583A	20615314120804	
		\$1160.97	C.T.	0583A	20615314145304	
		\$17,777.20				

- (10) On June 16, 2006, **ISIS LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Mission Manor Nursing Home, the dba for Jordan Enterprises, Inc., for submitting the foregoing Medicare claims, plus other Medicare claims not identified above. **ISIS LTC** charged Mission Manor Nursing Home 15% of the claims that Medicare paid. On or about June 20, 2006, Mission Manor Nursing Home drafted check number 12176 in the amount of \$2666.58, paying **ISIS LTC** for submitting the foregoing Medicare claims, plus other Medicare claims not identified above. This check was deposited into Capital One bank account 3620185182.
- (11) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Mutual of Omaha, Medicare paid provider Mission Manor Nursing Home for Medicare claims as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt Amt	Patient	Patient ID	Claim No.	Claim Date
\$8,881.03	06/22/2006	\$182.67	L.J.	0419B	20615314205904	06/02/2006
		\$1643.89	L.J.	0419B	20615314230404	
		\$202.52	T.J.	0419A	20615314274304	
		\$1452.87	T.J.	0419A	20615314294604	
		\$471.63	B.J.	768C1	20615314331504	

		\$1088.40	B.J.	768C1	20615314351804	
		\$1020.87	B.J.	768C1	20615314370504	
		\$150.47	B.L.	1396A	20615914581104	
		\$103.19	R.M.	8385D	20615915242604	
		\$19.88	M.S.	5615D	20615915025004	
		\$616.28	M.S.	5615D	20615915095004	
		\$596.40	M.S.	5615D	20615915121404	
		\$616.28	M.S.	5615D	20615915134804	
		\$258.44	M.S.	5615D	20615915153204	
		\$337.96	M.S.	5615D	20615915172204	
		\$119.28	M.S.	5615D	20615915192904	
		\$8,881.03				

06/08/2006

- (12) On June 23, 2006, **ISIS LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Mission Manor Nursing Home, the dba for Jordan Enterprises, Inc., for submitting the foregoing Medicare claims, plus other Medicare claims not identified above. **ISIS LTC** charged Mission Manor Nursing Home 15% of the claims that Medicare paid. On or about June 26, 2006, Mission Manor Nursing Home drafted check number 12181 in the amount of \$1332.15, paying **ISIS LTC** for submitting the foregoing Medicare claims, plus other Medicare claims not identified above. This check was deposited into **ISIS LTC's** Capital One bank account 3620185182.
- (13) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Wisconsin Physicians Service Insurance Corporation, Medicare paid provider Mission Manor Nursing Home for Medicare claims as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt Amt	Patient	Patient ID	Claim No.	Claim Date
\$743.35	08/07/2007	\$743.35	J.S.	9504A	20720500124904	07/24/2007
		\$743.35				

- (14) On August 7, 2006, **ISIS LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Mission Manor Nursing Home,

the dba for Jordan Enterprises, Inc., for submitting the foregoing Medicare claim, plus other Medicare claims not identified above. **ISIS LTC** charged Mission Manor Nursing Home 15% of the claims that Medicare paid. Thereafter, Mission Manor Nursing Home drafted check number 19955 in the amount of \$3,370.94, paying **ISIS LTC** for submitting the foregoing Medicare claim, plus other Medicare claims not identified above.

- (15) The pattern of claims submission, claims payment, invoice submission, and invoice payment described above continued through August 2009, resulting in fraudulent claim submission to Medicare by the Defendants through Mission Manor Nursing Home in the amount of \$99,730.
- (16) The submission of the Mission Manor Medicare claims by the Defendants caused a corresponding claim submission to Medicaid. The Defendants fraudulent activity resulted in Medicaid claims in the amount of \$4,642.

d. With respect to Jordan and Gillis, Inc., doing business as Heritage Nursing Home:

- (1) On or about February 16, 2006, **John Mitchell Rutoskey** conducted a healthcare billing seminar that was attended by an administrator with oversight of Heritage Nursing Home. The Defendants were subsequently hired by Heritage Nursing Home to conduct Medicare and Medicaid billing.
- (2) Between March 2006 and August 2009, the Defendants submitted or caused to be submitted Medicare claims for multiple beneficiaries at Heritage Nursing Home.
- (3) Between March 2006 and August 2009, the Defendants submitted or caused to be submitted Medicaid claims for multiple beneficiaries at Heritage Nursing Home.
- (4) Between March 2006 and August 2009, the Defendants submitted invoices to Mount Vernon Nursing Home, Inc., doing business as Heritage Nursing Home seeking payment for billing services.

- (5) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Mutual of Omaha, Medicare paid provider Jordan & Gillis, Inc., dba Heritage Nursing Home as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt Amt	Patient	Patient ID	Claim No.	Claim Date
\$483.77	04/07/2006	\$483.77	M.B.	2012A	20608308192504	03/24/2006
\$6,956.13	04/11/2006	\$101.94	M.B.	2012A	20608308095004	03/28/2006
		\$700.37	A.B.	1735D	20608711401604	
		\$534.56	R.H.	5030A	20608711170504	
		\$1,160.47	R.H.	5030A	20608711255104	
		\$955.54	I.R.	4956	20608710453704	
		\$556.49	B.R.	4332H	20608710512004	
		\$896.68	M.S.	5051A	20608709294604	
		\$364.83	S.S.	4745TA	20608711563104	
		\$139.97	D.S.	2917A	20608709053104	
		\$1,145.53	D.S.	2917A	20608736897304	
		\$399.68	A.L.	1364A	20608711073704	
\$294.06	04/14/2006	92.52	M.S.	5051A	20608709240604	04/07/2006
		201.54	K.L.	4383D	20608735128404	
\$2,186.80	04/21/2006	\$2,186.80	M.B.	2522A	20609714291004	04/07/2006
\$511.68	04/21/2006	\$511.68	C.D.	8627A	20608711464104	03/28/2006
\$10,432.44		\$10,432.44				

- (6) On May 16, 2006, **ISIS LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Heritage Nursing Home, the dba for Jordan & Gillis, Inc., in the amount of \$1,564.87 for submitting the foregoing Medicare claims. **ISIS LTC** charged Heritage Nursing Home 15% of the total Medicare claims paid. On or about May 24, 2006, Jordan & Gillis, Inc., drafted check number 19529 in the amount of \$1,564.87, paying **ISIS LTC** for submitting the foregoing claims to Medicare. This check was deposited into **ISIS LTC**'s Capital One bank account 3620185182.
- (7) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Mutual of Omaha, Medicare paid provider Jordan & Gillis, Inc., dba Heritage Nursing Home as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt Amt	Patient	Patient ID	Claim No.	Claim Date
\$6748.89	M.A.	6662A	20612509442604			
\$6675.51	M.A.	6662A	20612509513704			
\$7718.50	M.A.	6662A	20612509541104			
\$2249.37	M.B.	5495D	20612511145904			
\$3918.23	M.B.	5495D	20612511223804			
\$2249.37	M.B.	5495D	20612511274804			
\$2249.37	L.E.	6305D	20612509270404			
\$2174.80	L.E.	6305D	20612509303504			
\$2249.37	G.H.	3091D	20612510280704			
\$2176.80	G.H.	3091D	20612510461004			
\$2249.37	G.H.	3091D	20612510485004			
\$2249.37	M.W.	4704D	20612510035004			
\$2176.80	M.W.	4704D	20612510060504			
\$4498.71	M.W.	4704D	20612510083304			
\$7718.50	M.A.	6662A	20612533581504			
\$4498.71	M.B.	5495D	20612512060404			
\$2249.39	G.H.	3091D	20612510513104			
\$4498.71	M.W.	4704D	20612510132704			
\$2412.17	G.W.	4905A	20612512171404			
\$4748.09	G.W.	4905A	20612512300104			
\$4353.60	G.W.	4905A	20612512322804			
\$4353.60	G.W.	4905A	20612512362404			
\$4498.71	G.W.	4905A	20612512383554			
\$4814.78	G.W.	4905A	20612512442604			
\$3436.13	G.W.	4905A	20612512494704			
\$1886.57	M.W.	4704D	20612513054304			
\$2249.37	M.W.	4704D	20612513102604			
\$1523.77	M.W.	4704D	20612513123384			
\$2902.40	M.W.	4704D	20612513154404			
\$7282.56	M.W.	4704D	20612513101004			
\$6748.09	G.W.	4905A	20612512513684			
\$6095.03	G.W.	4905A	20612512535104			
\$6785.68	G.W.	4905A	20612512554504			
\$2249.37	M.W.	4704D	20612513221404			
\$4063.37	M.W.	4704D	20612513241604			

05/05/2012

\$22,849.92	05/23/2006	\$4498.71	G.W.	4905A	20612512341704	
		\$4498.71	G.W.	4905A	20612512412504	
		\$4729.68	G.W.	4905A	20612512475404	
		\$2249.37	M.W.	4704D	20612513202604	
		\$2394.49	G.W.	4905A	20612915274204	
		\$4478.96	G.W.	4905A	20612915295304	
		\$164.004.16				05/09/2012
\$164.004.16		\$164.004.16				

- (8) On May 16, 2006, **ISIS LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Heritage Nursing Home, the dba for Jordan & Gillis, Inc., for submitting the foregoing Medicare claims. **ISIS LTC** charged Heritage Nursing Home 15% of the claims that Medicare paid. On or about May 24, 2006, Jordan & Gillis, Inc., drafted check number 11981 in the amount of \$24,600.63, paying **ISIS LTC** for submitting the foregoing claims to Medicare. This check was deposited into **ISIS LTC** Capital One bank account 3620185182.
- (9) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Mutual of Omaha, Medicare paid provider Jordan & Gillis, Inc., dba Heritage Nursing Home as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt Amt	Patient	Patient ID	Claim No.	Claim Date
\$12,335.23	05/24/2006	\$5659.69	L.E.	6305D	20613009503104	05/10/2006
		\$2249.37	R.H.	0376A	20612915091204	05/09/2006
		\$2176.80	R.H.	0376A	20612915110904	
		\$2249.37	R.H.	0376A	20612915132004	
\$14,855.20	05/25/2006	\$4887.33	M.B.	0950A	20613108280904	05/11/2006
		\$9967.87	M.B.	0950A	20613108302804	
\$100,076.93	05/26/2006	\$870.71	M.M.	2205D	20613214355904	05/12/2006
		\$1168.97	B.R.	4322M	20613214240204	
		\$580.49	L.G.	5531A	20613215563404	
		\$2249.37	L.G.	5531A	20613215581104	
		\$3192.63	L.G.	5531A	20613215594504	
		\$948.29	L.G.	5531A	20613216015504	
		\$580.49	A.H.	2952A	20613215494904	
		\$2249.37	A.H.	2952A	20613215512704	

		\$2176.80	A.H.	2952A	20613215531004	
		\$580.49	N.M.	0949D	20613215413604	
		\$870.71	N.M.	0949D	20613215431604	
		\$2249.37	M.M.	2205D	20613214382904	
		\$6965.77	M.M.	2205D	20613214402904	
		\$8997.43	M.M.	2205D	20613214440904	
		\$8707.20	M.M.	2205D	20613214461604	
		\$8997.43	M.M.	2205D	20613215004804	
		\$5659.69	M.M.	2205D	20613215061804	
		\$2249.37	M.M.	2205D	20613215082504	
		\$5079.20	M.M.	2205D	20613215104804	
		\$6240.17	M.M.	2205D	20613215174704	
		\$435.37	M.M.	2205D	20613215215504	
		\$2249.37	M.M.	2205D	20613215284804	
		\$4068.67	M.M.	2205D	20613239215404	
		\$2249.37	B.R.	4322M	20613214262504	
		\$4157.13	I.K.		20613214201604	
		\$4281.03	M.M.	2205D	20613215330904	
		\$7536.33	M.M.	2205D	20613215351004	
		\$4498.71	M.M.	2205D	20613239331404	
		\$127,267.36				

- (10) On May 16, 2006, **ISIS LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Heritage Nursing Home, the dba for Jordan & Gillis, Inc., for submitting the foregoing Medicare claims, plus other Medicare claims not identified above. **ISIS LTC** charged Heritage Nursing Home 15% of the claims that Medicare paid. On or about June 8, 2006, Jordan & Gillis, Inc., drafted check number 11992 in the amount of \$31,018.47, paying **ISIS LTC** for submitting the foregoing Medicare claims, plus other Medicare claims not identified above. This check was deposited into **ISIS LTC's** Capital One bank account 3620185182.
- (11) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Wisconsin Physician Service Corporation, Medicare paid provider Jordan & Gillis, Inc., dba Heritage Nursing Home as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt Amt	Patient	Patient ID	Claim No.	Claim Date
\$25,626.77	08/10/2007	\$617.42	C.B.	9360A	20720800119604	07/28/2007
		\$503.71	V.D.	7847D	20720800096404	
		\$3050.21	V.D.	7847D	20720800098104	
		\$1343.23	F.R.	2381A	20720800115704	
		\$1343.23	F.R.	2381A	20720800116304	
		\$233.11	F.R.	2381A	20720800116604	
		\$6500.16	F.R.	2381A	20720800117004	
		\$2022.28	E.R.	9010D	20720800121304	
		\$3341.49	B.R.	4322M	20720800122004	
		\$1011.13	E.D.	8964A	20720800115104	
		\$354.46	V.D.	7847D	20720800099804	
		\$261.18	M.L.	0460A	20720800107104	
		\$3139.59	N.M.	0949D	20720800106004	
		\$341.96	C.R.	9528A	29720800104704	
		\$1058.05	S.S.	745TA	20720800114604	
		\$505.56	O.S.	7468D	20720800109304	
		\$25,626.77				

- (12) On August 27, 2007, **ISIS LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Heritage Nursing Home, the dba for Jordan & Gillis, Inc., for submitting the foregoing Medicare claims, plus other Medicare claims not identified above. **ISIS LTC** charged Heritage Nursing Home 20% of the claims that Medicare paid. On or about September 6, 2007, Jordan & Gillis, Inc., drafted check number 12195 in the amount of \$7,218.89, paying **ISIS LTC** for submitting the foregoing Medicare claims, plus other Medicare claims not identified above. This check was deposited into **ISIS LTC**'s Capital One bank account 3620185182.
- (13) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Wisconsin Physicians Service Insurance Corporation, Medicare paid provider Jordan & Gillis, Inc., dba Heritage Nursing Home as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt Amt	Patient	Patient ID	Claim No.	Claim Date
\$47,318.82	12/11/2007	\$660.79	M.B.	1639D	20733100207704	11/27/2007
		\$161.51	F.B.	495C2	20733100362904	
		\$273.33	B.C.	7031A	20733100209904	
		\$223.63	V.C.	5538A	20733100217004	
		\$372.72	B.C.	7031A	20733100267304	
		\$49.70	V.C.	5538A	20733100267904	
		\$385.14	B.C.	7031A	20733100303004	
		\$86.97	V.C.	5538A	20733100307304	
		\$285.75	B.C.	7031A	20733100342504	
		\$468.20	D.H.	0763D	20733100268604	
		\$410.43	M.L.	0460A	20733100390304	
		\$541.02	M.L.	0460A	20733100308704	
		\$2166.72	A.L.	6008A	20733100397704	
		\$2238.95	A.L.	6008A	20733100343704	
		\$2238.95	A.L.	6008A	20733100311504	
		\$3466.76	A.L.	6008A	20733100220604	
		\$2888.96	A.L.	6008A	20733100271004	
		\$650.01	A.L.	1364A	20733100378904	
		\$1155.59	N.M.	0949D	20733100311704	
		\$1155.59	N.M.	0949D	20733100345604	
		\$18.16	C.M.	2873A	20733100338304	
		\$298.50	C.M.	2873A	20733100349404	
		\$1679.04	Z.M.	0684A	20733100365004	
		\$1735.01	Z.M.	0684A	20733100222504	
		\$1679.04	Z.M.	0684A	20733100274504	
		\$1735.01	Z.M.	0684A	20733100315904	
		\$1735.01	Z.M.	0684A	20733100352204	
		\$2972.14	T.N.	0273D	20733100257304	
		\$1922.90	T.N.	0273D	20733100275204	
		\$385.14	A.P.	2870A	20733100224604	
		\$372.72	A.P.	2870A	20733100276504	
		\$62.12	A.P.	2870A	20733100316904	
		\$86.97	A.P.	2870A	20733100336604	
		\$136.66	A.P.	2970A	20733100358004	
		\$1716.35	C.R.	9528A	20733100360304	
		\$242.53	C.R.	9528A	20733100225504	

	\$1805.60	C.R.	9528A	20733100278904	
	\$4380.35	C.R.	9528A	20733100317804	
	\$866.68	S.S.	745TA	20733100369204	
	\$372.72	D.S.	2917A	20733100279204	
	\$385.14	D.S.	2817A	20733100320204	
	\$385.14	D.S.	2917A	20733100361004	
	\$372.72	D.S.	2917A	20733100366904	
	\$385.14	D.S.	2917A	20733100228304	
	\$757.36	E.S.	2250A	20733100241404	
	\$410.43	O.S.	7468D	20733100256604	
	\$541.02	G.W.	4905A	20733100256304	
	\$47,318.82				

- (14) On January 25, 2008, **ISIS LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Heritage Nursing Home, the dba for Jordan & Gillis, Inc., for submitting the foregoing Medicare claims, plus other Medicare claims not identified above. **ISIS LTC** charged Heritage Nursing Home a flat fee of \$2,000.00 per month between May 2007 and September 2007 for submitting claims to Medicare. On or about March 14, 2008, Jordan & Gillis, Inc., drafted check number 21732 in the amount of \$14,000.00, paying **ISIS LTC** for submitting the foregoing Medicare claims, plus other Medicare claims not identified above. This check was deposited into **ISIS LTC**'s Capital One bank account 3620185182.
- (15) The pattern of claims submission, claims payment, invoice submission, and invoice payment described above continued through August 2009, resulting in fraudulent claim submission to Medicare by the Defendants through Heritage Nursing Home in the amount of \$1,084,327.
- (16) The submission of the Heritage Nursing Home Medicare claims by the Defendants caused a corresponding claim submission to Medicaid. The Defendants fraudulent activity resulted in Medicaid claims in the amount of \$89,287.

e. With respect to Atlanta Nursing Homes, Inc., doing business as Golden

Villa:

- (1) On or about February 16, 2006, **John Mitchell Rutoskey** conducted a healthcare billing seminar that was attended by an administrator with oversight of Golden Villa. The Defendants were subsequently hired by Golden Villa to conduct Medicare and Medicaid billing.
- (2) Between March 2006 and August 2009, the Defendants submitted or caused to be submitted Medicare claims for multiple beneficiaries at Golden Villa.
- (3) Between March 2006 and August 2009, the Defendants submitted or caused to be submitted Medicaid claims for multiple beneficiaries at Golden Villa.
- (4) Between March 2006 and August 2009, the Defendants submitted invoices to Atlanta Nursing Homes, Inc., doing business as Golden Villa.
- (5) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Mutual of Omaha, Medicare paid provider Atlanta Nursing Homes Inc. for Medicare claims as follows:

AMT Paid by Medicare	Date of Medi	Claim Pmt. Amt.	Patient	Patient ID	Claim No.	Claim Date
\$ 10,075.36	06/05/06	\$ 495.72	A.C.	1686D	20614213062204	05/22/06
		\$ 1,295.08	A.C.	1686D	20614213084104	05/22/06
		\$ 1,093.82	A.C.	1686D	20614213115104	05/22/06
		\$ 4,012.31	A.H.	2264A	20614213224404	05/22/06
		\$ 1,225.57	A.H.	2264A	20614237515604	05/22/06
		\$ 1,952.86	L.W.	3767D	20613911340404	05/19/06
\$ 2,525.23	06/06/06	\$ 1,899.61	P.H.	1202D2	20614214055604	05/22/06
		\$ 625.62	A.H.	8156A	20613911494404	05/19/06
\$ 903.32	06/07/06	\$ 903.32	P.H.	1202D2	20614214328904	05/22/06
\$ 13,503.91		\$ 13,503.91				

- (6) On or about June 16, 2006, **ISIS LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Golden Villa Nursing Home, the dba for Atlanta Nursing Homes, Inc., in the amount of \$2,025.58 for submitting the foregoing Medicare claims. **ISIS LTC** charged Golden Villa 15% of the total Medicare payment amount for the claims listed above. On or about June 20, 2006, Golden Villa Nursing Home drafted check number 29524 in the amount of

\$2,025.58 to pay **ISIS LTC** for submitting the foregoing Medicare claims. The check was deposited into the **ISIS LTC** account number 3620185182 at Capital One.

- (7) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Mutual of Omaha, Medicare paid provider Atlanta Nursing Homes Inc. for Medicare claims as follows:

AMT Paid by Medicare	Date of Medicare Payment	Claim Pmt. Amt.	Patient	Patient ID	Claim No.	Claim Date	
\$ 14,875.62	07/24/06	\$ 455.38	V.A.	5945A	20619109560904	07/10/06	
		\$ 303.58	H.B.	4655A	20619109595604	07/10/06	
		\$ 14,116.66	L.B.	8178D	20619110381704	07/10/06	
\$ 114,118.57	07/25/06	\$ 4,705.54	M.E.	4311A	20619209582604	07/11/06	
		\$ 4,705.54	A.F.	8094D	20619209582604	07/11/06	
		\$ 4,705.54	A.F.	8094D	20619211251404	07/11/06	
		\$ 9,411.10	V.H.	5723B	20619210003004	07/11/06	
		\$ 9,107.52	V.H.	5723B	20619211275804	07/11/06	
		\$ 3,415.32	A.H.	8156A	20619211325804	07/11/06	
		\$ 4,553.76	N.H.	4120A	20619210043204	07/11/06	
		\$ 2,172.03	H.K.	8989A	20619210064204	07/11/06	
		\$ 4,250.18	E.L.	2975D2	20619211470804	07/11/06	
		\$ 9,411.10	F.L.	6319A	20619210543204	07/11/06	
		\$ 6,071.68	F.L.	6319A	20619212570804	07/11/06	
		\$ 4,705.54	E.M.	4504D	20619240184504	07/11/06	
		\$ 4,553.76	E.M.	4504D	20619212590404	07/11/06	
		\$ 3,187.62	A.M.	5322D	20619213114104	07/11/06	
		\$ 3,035.84	V.M.	4743D	20619213133204	07/11/06	
		\$ 11,763.88	L.M.	1979D	20619210472204	07/11/06	
		\$ 2,125.10	C.P.	8254A	20619210205004	07/11/06	
		\$ 4,705.54	J.R.	0517A	20619210224404	07/11/06	
		\$ 1,062.54	J.R.	0517A	20619213033104	07/11/06	
		\$ 7,058.34	W.W.	4718D1	20619210493504	07/11/06	
		\$ 6,830.64	W.W.	4718D1	20619213052504	07/11/06	
		\$ 2,580.46	M.W.	0909D	20619211033204	07/11/06	
\$ 128,994.19		\$ 128,994.19					

- (8) On or about June 25, 2006, **ISIS LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Golden Villa Nursing

Home, the dba for Atlanta Nursing Homes Inc., in the amount of \$19,349.13 for submitting the foregoing Medicare claims. **ISIS LTC** charged Golden Villa 15% of the total Medicare payment amount for the claims listed above. On or about July 27, 2006, Golden Villa Nursing Home drafted check number 29672 in the amount of \$19,349.13 to pay **ISIS LTC** for submitting the foregoing Medicare claims. The check was deposited into the **ISIS LTC** account number 3620185182 at Capital One.

- (9) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Mutual of Omaha, Medicare paid provider Atlanta Nursing Homes Inc. for Medicare claims as follows:

AMT Paid by Medicare	Date of Medicare Payment	Claim Pmt. Amt.	Patient	Patient ID	Claim No.	Claim Date
\$ 23,451.88	07/28/06	\$ 14,647.94	L.B.	8178D	20619514501404	07/14/06
		\$ 3,946.58	A.H.	8156A	20619514562204	07/14/06
		\$ 1,973.30	D.R.	4619A	20619514594904	07/14/06
		\$ 2,884.06	D.R.	4619A	20619515022904	07/14/06
\$ 23,451.88		\$ 23,451.88				

- (10) On or about **June 28, 2006**, **ISIS LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Golden Villa Nursing Home, the dba for Atlanta Nursing Homes Inc., in the amount of \$33,241.74 for submitting the foregoing Medicare claims plus other Medicare claims not identified above. **ISIS LTC** charged Golden Villa 15% of the total Medicare payment amount for the claims listed above. On or about August 11, 2006, Golden Villa Nursing Home drafted check number 29730 in the amount of \$33,241.74 to pay **ISIS LTC** for submitting the foregoing Medicare claims plus other Medicare claims not identified above. The check was deposited into the **ISIS LTC** account number 3620185182 at Capital One.

Note: The date on the invoice is June 28, 2006, which is incorrect because Medicare payment was not made until July 28, 2006.

- (11) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by

Mutual of Omaha, Medicare paid provider Atlanta Nursing Homes Inc. for Medicare claims as follows:

AMT Paid by Medicare	Date of Medicare Payment	Claim Pmt. Amt.	Patient	Patient ID	Claim No.	Claim Date
\$ 17,152.48	08/16/06	\$ 1,821.50	W.C.	1260A	20621208440904	07/31/06
		\$ 4,705.54	D.F.	7423B	20621415540004	08/02/06
		\$ 6,223.46	Z.H.	9511A	20621208542404	07/31/06
		\$ 4,401.98	M.P.	4542A	20621415554604	08/02/06
\$ 47,104.30	08/14/06	\$ 2,125.10	R.J.	9635A	20621232359704	07/31/06
		\$ 1,214.34	N.L.	0967A	20621208371804	07/31/06
		\$ 3,415.32	J.C.	1686A	20621208415504	07/31/06
		\$ 2,040.18	J.C.	1686A	20621208462504	07/31/06
		\$ 6,678.86	C.C.	0467A	20621210070604	07/31/06
		\$ 1,821.50	N.C.	5355D	20621208594204	07/31/06
		\$ 4,098.38	N.C.	5355D	20621209005904	07/31/06
		\$ 1,366.14	W.C.	1260A	20621232505904	07/31/06
		\$ 4,322.39	P.D.	6032A	20621210020904	07/31/06
		\$ 4,477.86	A.F.	3692D6	20621208500504	07/31/06
		\$ 3,025.06	D.F.	7423B	20621210050704	07/31/06
		\$ 3,411.65	M.G.	6727A	20621208575604	07/31/06
		\$ 1,517.92	N.L.	0967A	20621208560404	07/31/06
		\$ 1,366.14	M.C.	9992M	20621233128404	07/31/06
		\$ 2,732.26	N.C.	5355D	20621209033004	07/31/06
		\$ 2,580.46	N.C.	5355D	20621209051504	07/31/06
		\$ 910.74	N.C.	5355D	20621209074904	07/31/06
\$ 64,256.78		\$ 64,256.78				

- (12) On or about August 18, 2006, **ISIS LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Golden Villa Nursing Home, the dba for Atlanta Nursing Homes Inc., in the amount of \$9,638.52 for submitting the foregoing Medicare claims. **ISIS LTC** charged Golden Villa 15% of the total Medicare payment amount for the claims listed above. On or about August 29, 2006, Golden Villa Nursing Home drafted check number 29773 in the amount of \$82,273.77 to pay **ISIS LTC** for submitting the foregoing Medicare claims plus other Medicare claims not identified above. The check was deposited into the **ISIS LTC** account number 3620185182 at Capital One.
- (13) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by

Wisconsin Physician Service Corp., Medicare paid provider Atlanta Nursing Homes Inc. for Medicare claims as follows:

AMT Paid by Medicare	Date of Medicare Payment	Claim Pmt. Amt.	Patient	Patient ID	Claim No.	Claim Date
\$ 3,087.52	08/08/07	\$ 2,527.84	M.D.	0786A	20720600119404	07/25/07
		\$ 559.68	B.F.	2294A	20720600118004	07/25/07
		\$ 3,087.52				

- (14) On or about September 12, 2007, **ISIS LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Golden Villa Nursing Home, the dba for Atlanta Nursing Homes Inc., in the amount of \$19,763.57 for submitting the foregoing Medicare claims plus other Medicare claims not identified above. **ISIS LTC** charged Golden Villa 20% of the total Medicare payment amount for the claims listed above. On or about October 3, 2007, Golden Villa Nursing Home drafted check number 1023 in the amount of \$19,763.59 to pay **ISIS LTC** for submitting the foregoing Medicare claims plus other Medicare claims not identified above. The check was deposited into the **ISIS LTC** account number 3620185182 at Capital One.
- (15) The pattern of claims submission, claims payment, invoice submission, and invoice payment described above continued through August 2009, resulting in fraudulent claim submission to Medicare by the Defendants through Golden Villa in the amount of \$1,255,925.
- (16) The submission of the Golden Villa Medicare claims by the Defendants caused a corresponding claim submission to Medicaid. The Defendants' fraudulent activity resulted in Medicaid claims in the amount of \$49,128.

f. With respect to Atlanta Nursing Homes, Inc., doing business as Rose Haven Retreat:

- (1) On or about February 16, 2006, **John Mitchell Rutoskey** conducted a healthcare billing seminar that was attended by an administrator with oversight of Rose Haven Retreat. The Defendants were

subsequently hired by Rose Haven Retreat to conduct Medicare billing.

- (2) Between March 2006 and August 2009, the Defendants submitted or caused to be submitted Medicare claims for multiple beneficiaries at Rose Haven Retreat.
- (3) Between March 2006 and August 2009, the Defendants submitted invoices to Atlanta Nursing Homes, Inc., doing business as Rose Haven Retreat.
- (4) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Mutual of Omaha, Medicare paid provider Rose Haven Retreat for Medicare claims as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt Amt	Patient	Patient ID	Claim No.	Claim Date
\$381.65	06/24/2006	\$381.65	J.W.	2419A	206090011421484	03/31/2006
		\$381.65				

- (5) On or about May 16, 2006, **ISIS LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Rose Haven Retreat, the dba for Atlanta Nursing Homes, Inc., for submitting the foregoing Medicare claim, plus other Medicare claims not identified above. **ISIS LTC** charged Rose Haven Retreat 15% of the claims that Medicare paid. On May 26, 2006, Atlanta Nursing Homes drafted check number 13818 in the amount of \$473.25, paying **ISIS LTC** for submitting the foregoing Medicare claim, plus other Medicare claims not identified above. This check was deposited into **ISIS LTC**'s Capital One bank account 3620185182.
- (6) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Mutual of Omaha, Medicare paid provider Rose Haven Retreat for Medicare claims as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt Amt	Patient	Patient ID	Claim No.	Claim Date

\$83,562.96	08/03/2006	\$4705.54	J.R.	2212A	20620113451604	07/20/2006
		\$12522.84	J.R.	2212A	20620113471204	
		\$9615.82	J.R.	2212A	20620113492004	
		\$13685.76	M.W.	8872A	20620113424104	
		\$6602.94	R.J.	7253D	20620007595604	
		\$9411.10	J.R.	2212A	20620113513704	
		\$8500.34	J.R.	2212A	20620113533904	
		\$9411.10	J.R.	2212A	20620113564204	
		\$9107.52	J.R.	2212A	20620113574304	
		\$83,562.96				

- (7) On or about August 4, 2006, **ISIS LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Rose Haven Retreat, the dba for Atlanta Nursing Homes, Inc., for submitting the foregoing Medicare claim, plus other Medicare claims not identified above. **ISIS LTC** charged Rose Haven Retreat 15% of the claims that Medicare paid. On August 9, 2006, Atlanta Nursing Homes drafted check number 4687 in the amount of \$96,647.54, paying **ISIS LTC** for submitting the foregoing Medicare claim, plus other Medicare claims not identified above.
- (8) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Mutual of Omaha, Medicare paid provider Rose Haven Retreat for Medicare claims as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt Amt	Patient	Patient ID	Claim No.	Claim Date
\$6,830.64	08/08/2006	\$2125.10	A.A.	9263A	20620208363604	07/21/2006
		\$4705.54	P.A.	9621A	20620213331704	
		\$6,830.64				

- (9) On or about August 11, 2006, **ISIS LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Rose Haven Retreat, the dba for Atlanta Nursing Homes, Inc., for submitting the foregoing Medicare claim, plus other Medicare claims not identified above. **ISIS LTC** charged Rose Haven Retreat 15% of the claims that Medicare paid. On September 8, 2006, Atlanta Nursing Homes

drafted check number 7588 in the amount of \$1547.01, paying **ISIS LTC** for submitting the foregoing Medicare claim, plus other Medicare claims not identified above. This check was deposited into **ISIS LTC**'s Capital One bank account 3620185182.

- (10) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Mutual of Omaha, Medicare paid provider Rose Haven Retreat for Medicare claims as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt Amt	Patient	Patient ID	Claim No.	Claim Date
\$5,879.32	10/26/2006	\$1557.68	C.C.	3616D	20627915531004	10/06/2006
		\$4321.64	M.W.	8872A	20627916451604	
		\$5,879.32				

- (11) On or about October 27, 2006, **ISIS LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Rose Haven Retreat, the dba for Atlanta Nursing Homes, Inc., for submitting the foregoing Medicare claim, plus other Medicare claims not identified above. **ISIS LTC** charged Rose Haven Retreat 15% of the claims that Medicare paid. On November 14, 2006, Atlanta Nursing Homes drafted check number 14108 in the amount of \$7056.56, paying **ISIS LTC** for submitting the foregoing Medicare claim, plus other Medicare claims not identified above. This check was deposited into **ISIS LTC**'s Capital One bank account 3620185182.

- (12) The Defendants fraudulently submitted or caused to be submitted Medicare claims as set forth in the table below. As reported by Wisconsin Physicians Service, Medicare paid provider Rose Have Retreat for Medicare claims as follows:

Medicare Pmt Amt	Medicare Pmt Date	Claim Pmt Amt	Patient	Patient ID	Claim No.	Claim Date
\$19,704.62	06/14/2007	\$6039.23	B.J.	2014A	20714400133304	05/24/2007
		\$8748.39	B.J.	2014A	20714400140404	
		\$4917.00	B.J.	2014A	20714400148004	
		\$19,704.62				

- (13) On or about August 8, 2007, **ISIS LTC**, 1515 Heritage Drive, Suite 212, McKinney, Texas, sent an invoice to Rose Haven Retreat, the dba for Atlanta Nursing Homes, Inc., for submitting the foregoing Medicare claim. **ISIS LTC** charged Rose Haven Retreat 20% of the claim that Medicare paid. On August 8, 2007, Atlanta Nursing Homes drafted check number 14592 in the amount of \$3,940.93, paying **ISIS LTC** for submitting the foregoing Medicare claim. This check was deposited into **ISIS LTC**'s Capital One bank account 3620185182.
- (14) The pattern of claims submission, claims payment, invoice submission, and invoice payment described above continued through August 2009, resulting in fraudulent claim submission to Medicare by the Defendants through Rose Haven Retreat in the amount of \$885,008.

27. At all times relevant to this indictment, the Defendants were aware that

John Mitchell Rutoskey was an excluded person as defined herein. The Defendants concealed or failed to notify the administrators of the nursing homes listed above that **John Mitchell Rutoskey** was excluded. The conspiracy and fraud perpetrated by the Defendants extended beyond the nursing homes listed herein. The total fraudulent billing for the facilities listed and the time frames included in this indictment is \$22,011,965.00.

All in violation of 18 U.S.C. § 1349.

COUNT TWO

**Health Care Fraud
(18 U.S.C. § 1347 and 2)
Dickens County Nursing Home**

28. The Grand Jury realleges and incorporates the paragraphs 1-25, 26a, and 27 of this Indictment as if fully set forth herein.

29. From in or about February 2006 until in or about May 2008, in the Eastern District of Texas and elsewhere,

**JOHN MITCHELL RUTOSKEY (1), and
GWENICE RUTOSKEY (2),**

utilizing the corporate structure of

**ISIS, LTC, INC. (3), and
HEALTHCARE CONSULTANTS AND MANAGEMENT SERVICES, INC. (4),**

aiding and abetting each other and others known and unknown, did knowingly and willfully execute and attempt to execute, a scheme and artifice:

- (a) to defraud a health care benefit program; namely, Medicare, and
- (b) to obtain, by means of false and fraudulent pretenses, representations, and

promises, money and property owned by, or under the custody and control of, a health care benefit program; namely, the Medicare program; in connection with the delivery of or payment for health care benefits, items and services for Dickens County Nursing Home.

All in violation of 18 U.S.C. §§ 1347 and 2.

COUNT THREE

**Health Care Fraud
(18 U.S.C. § 1347 and 2)
Nurse-con Corporation d/b/a Elmwood Nursing Home**

30. The Grand Jury realleges and incorporates the paragraphs 1-25, 26b, and 27 of this Indictment as if fully set forth herein.

31. From in or about Spring of 2005, the exact date unknown, until in or about July 2011, in the Eastern District of Texas and elsewhere,

**JOHN MITCHELL RUTOSKEY (1), and
GWENICE RUTOSKEY (2),**

utilizing the corporate structure of

**ISIS, LTC, INC. (3), and
HEALTHCARE CONSULTANTS AND MANAGEMENT SERVICES, INC. (4),**

aiding and abetting each other and others known and unknown, did knowingly and willfully execute and attempt to execute, a scheme and artifice:

(a) to defraud a health care benefit program; namely, Medicare and Medicaid,

and

(b) to obtain, by means of false and fraudulent pretenses, representations, and promises, money and property owned by, or under the custody and control of health care benefit programs; namely, the Medicare and Medicaid programs; in connection with the delivery of or payment for health care benefits, items and services for Nurse-con Corporation d/b/a Elmwood Nursing Home.

All in violation of 18 USC §§ 1347 and 2.

COUNT FOUR

**Health Care Fraud
(18 U.S.C. § 1347 and 2)
Mission Manor Nursing Home**

32. The Grand Jury realleges and incorporates the paragraphs 1-25, 26c, and 27 of this Indictment as if fully set forth herein.

33. From on or about February 16, 2006, until on or about August 2009, in the Eastern District of Texas and elsewhere,

**JOHN MITCHELL RUTOSKEY (1), and
GWENICE RUTOSKEY (2),**

utilizing the corporate structure of

**ISIS, LTC, INC. (3), and
HEALTHCARE CONSULTANTS AND MANAGEMENT SERVICES, INC. (4),**

aiding and abetting each other and others known and unknown, did knowingly and willfully execute and attempt to execute, a scheme and artifice:

- (a) to defraud a health care benefit program; namely, Medicare and Medicaid, and
- (b) to obtain, by means of false and fraudulent pretenses, representations, and promises, money and property owned by, or under the custody and control of health care benefit programs; namely, the Medicare and Medicaid programs; in connection with the delivery of or payment for health care benefits, items and services for Mount Vernon Nursing Home, Inc., d/b/a Mission Manor Nursing Home.

All in violation of 18 USC §§ 1347 and 2.

COUNT FIVE

**Health Care Fraud
(18 U.S.C. § 1347 and 2)
Heritage Nursing Home**

34. The Grand Jury realleges and incorporates the paragraphs 1-25, 26d, and 27 of this Indictment as if fully set forth herein.

35. From on or about February 2006 until on or about August 2009, in the Eastern District of Texas and elsewhere,

**JOHN MITCHELL RUTOSKEY (1), and
GWENICE RUTOSKEY (2),**

utilizing the corporate structure of

**ISIS, LTC, INC. (3), and
HEALTHCARE CONSULTANTS AND MANAGEMENT SERVICES, INC. (4),**

aiding and abetting each other and others known and unknown, did knowingly and willfully execute and attempt to execute, a scheme and artifice:

- (a) to defraud a health care benefit program; namely, Medicare and Medicaid, and
- (b) to obtain, by means of false and fraudulent pretenses, representations, and promises, money and property owned by, or under the custody and control of health care benefit programs; namely, the Medicare and Medicaid programs; in connection with the delivery of or payment for health care benefits, items and services for Jordan and Gillis, Inc., d/b/a Heritage Nursing Home.

All in violation of 18 USC §§ 1347 and 2.

COUNT SIX

**Health Care Fraud
(18 U.S.C. § 1347 and 2)
Golden Villa**

36. The Grand Jury realleges and incorporates the paragraphs 1-25, 26e, and 27 of this Indictment as if fully set forth herein.

37. From in or about February 2006, until in or about August 2009, in the Eastern District of Texas and elsewhere,

**JOHN MITCHELL RUTOSKEY (1), and
GWENICE RUTOSKEY (2),**

utilizing the corporate structure of

**ISIS, LTC, INC. (3), and
HEALTHCARE CONSULTANTS AND MANAGEMENT SERVICES, INC. (4),**
aiding and abetting each other and others known and unknown, did knowingly and willfully execute and attempt to execute, a scheme and artifice:

- (a) to defraud a health care benefit program; namely, Medicare and Medicaid, and
- (b) to obtain, by means of false and fraudulent pretenses, representations, and promises, money and property owned by, or under the custody and control of health care benefit programs; namely, the Medicare and Medicaid programs; in connection with the delivery of or payment for health care benefits, items and services for Atlanta Nursing Homes, Inc., d/b/a Golden Villa.

All in violation of 18 USC §§ 1347 and 2.

COUNT SEVEN

**Health Care Fraud
(18 U.S.C. § 1347 and 2)
Rose Haven Retreat**

38. The Grand Jury realleges and incorporates the paragraphs 1-25, 26f, and 27 of this Indictment as if fully set forth herein.

39. From in or about February 2006 until in or about August 2009, in the Eastern District of Texas and elsewhere,

**JOHN MITCHELL RUTOSKEY (1), and
GWENICE RUTOSKEY (2),**

utilizing the corporate structure of

**ISIS, LTC, INC. (3), and
HEALTHCARE CONSULTANTS AND MANAGEMENT SERVICES, INC. (4),**

aiding and abetting each other and others known and unknown, did knowingly and willfully execute and attempt to execute, a scheme and artifice:

- (a) to defraud a health care benefit program; namely, Medicare, and
- (b) to obtain, by means of false and fraudulent pretenses, representations, and promises, money and property owned by, or under the custody and control of health care benefit programs; namely, the Medicare program; in connection with the delivery of or payment for health care benefits, items and services for Atlanta Nursing Homes, Inc., d/b/a Rose Haven Retreat.

All in violation of 18 USC §§ 1347 and 2.

COUNT EIGHT

**Causing False Representations in Relation to Federal Healthcare Programs
42. U.S.C. § 1320a-7b(3)**

40. The Grand Jury realleges and incorporates the paragraphs 1-27 of this Indictment as if fully set forth herein.

41. From in or about 2005, the exact date unknown, until on or about July, 2011, in the Eastern District of Texas and elsewhere,

**JOHN MITCHELL RUTOSKEY (1), and
GWENICE RUTOSKEY (2),**

aiding and abetting each other and others known and unknown, and having knowledge of the occurrence of an event (that **JOHN MITCHELL RUTOSKEY** was previously excluded from participating in a federal health care benefit program), which affected the Defendants' initial or continued right to any benefit or payment from the Texas Medicaid Program or Medicare, concealed or failed to disclose such event with an intent fraudulently to secure such benefit or payment when no such benefit or payment is authorized in connection with the furnishing of items and services by the Defendants for which payment was made by the programs,

All in violation of 18 U.S.C. § 2 and 42 U.S.C. § 1320a-7b(3).

COUNTS NINE and TEN

**Money Laundering Greater than \$10,000
(18 U.S.C. §§1957 and 2)**

42. The Grand Jury realleges and incorporates the paragraphs 1-41 of this Indictment as if fully set forth herein.

43. On or about the following dates, in the Eastern District of Texas and elsewhere, the Defendants,

**JOHN MITCHELL RUTOSKEY (1), and
GWENICE RUTOSKEY (2),**

aided and abetted by each other and others known and unknown, knowingly engaged in a monetary transaction of criminally derived property of a value greater than \$10,000, described below, which had been derived from specified unlawful activity in and affecting interstate commerce, that is, the specified unlawful activities more specifically described in Counts One through Eight of this Indictment, namely violations of 18 U.S.C. 1347 and 1349.

<u>Count</u>	<u>Date</u>	<u>Check Number</u>	<u>Amount</u>	<u>Transaction</u>
9	3/17/2008	229184	\$22,964.76	Cashier's check from Capital One Account #3620185182 payable to Security Title
10	3/17/2008	229185	\$27,000.00	Cashier's check from Capital One Account #3010377535 payable to Security Title

NOTICE OF INTENT TO SEEK CRIMINAL FORFEITURE

Pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461

As the result of committing a violation of 18 U.S.C. § 1349 as stated in this Indictment, the defendants shall forfeit to the United States all property, real or personal, that constitutes or is derived from proceeds traceable to the aforementioned violations, including but not limited to the following:

Cash Proceeds

Approximately \$22,011,965 in United States currency and all interest and proceeds traceable thereto, in that such sum in aggregate is property constituting, or derived from, proceeds obtained directly or indirectly, as the result of the foregoing offenses alleged in this Indictment,

Real Property

Real property located at 905 Creekline Way, McKinney, Texas, 75070, titled to Gwenice and John Mitchell Rutoskey

Real property located at Sedalia Road, Van Alstyne, Texas, 75495, titled to Gwenice and John Mitchell Rutoskey

Real property located at Wolf Road, Van Alstyne, Texas, 75495, titled to Gwenice and John Mitchell Rutoskey

Substitute Assets

If any of the property described above as being subject to forfeiture, as a result of any act or omission of the defendants:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with a third person;
- (c) has been placed beyond the jurisdiction of the court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to 18 U.S.C. § 982(a)(4), to seek forfeiture of any other property of the defendants up to the value of the above forfeitable property, including but not limited to all property, both real and personal owned by the defendants.

By virtue of the commission of the offense alleged in this Indictment, any and all interest the defendants have in the above-described property is vested in and forfeited to the United States.

A TRUE BILL:

BB

GRAND JURY FOREPERSON

JOHN M. BALES
UNITED STATES ATTORNEY


JAMES E. PEACOCK
ASSISTANT UNITED STATES ATTORNEY

IN THE UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

UNITED STATES OF AMERICA §
§
v. § NO. 4:12-CR-
§
JOHN MITCHELL RUTOSKEY (1), §
GWENICE RUTOSKEY (2), §
ISIS, LTC, INC. (3), AND, §
HEALTHCARE CONSULTANTS AND §
MANAGEMENT SERVICES, INC. (4) §
DEFENDANTS §

NOTICE OF PENALTY

COUNT ONE

Violation: 18 U.S.C. § 1349 (Conspiracy to Commit Healthcare Fraud)

Penalty: Imprisonment of not more than ten (10) years; a fine of not more than \$250,000.00; a term of supervised release of not more than three (3) years

Special Assessment: \$100.00

COUNTS TWO THROUGH SEVEN:

Violation: 18 U.S.C. § 1347 (Healthcare Fraud)

Penalty: Imprisonment of not more than ten (10) years; a fine of not more than \$250,000.00 for individuals and \$500,000.00 for organizations; a term of supervised release of not more than three (3) years

Special Assessment: \$100.00 each count

COUNT EIGHT

Violation: 42 U.S.C. § 1320a-7b(3) (Causing False Representations in Relation to Federal Healthcare Programs)

Penalty: Imprisonment of not more than five (5) years; a fine of not more than \$25,000.00; a term of supervised release of not more than three (3) years

Special Assessment: \$100.00

COUNTS NINE AND TEN

Violation: 18 U.S.C. §§ 1957 and 2 (Money Laundering Greater than \$10,000)

Penalty: Imprisonment of not more than ten (10) years; a fine of not more than \$250,000.00; a term of supervised release of not more than three (3) years

Special Assessment: \$100.00 each count